

NEW YORK, NEW YORK

DENVER, COLORADO

PAUL S. BERGER
DIRECT LINE: (202) 872-6784

ARNOLD & PORTER

1200 NEW HAMPSHIRE AVENUE, N.W.
WASHINGTON, D.C. 20036-6885

(202) 872-6700
CABLE: "ARFOPO"
FACSIMILE: (202) 872-6720
TELEX: 89-2733

LOS ANGELES, CALIFORNIA

TOKYO, JAPAN

February 10, 1994

Mr. Daryal Batibay
Senior Advisor to the Prime Minister
Yeni Basbakanlik
Bakanliklar, Ankara
TURKEY

Dear Daryal:

We are very pleased that the Republic of Turkey, acting through the Office of the Senior Advisor to the Prime Minister, has engaged Arnold & Porter (the "Firm") for a period of three months to provide advisory services to it in connection with the selection of one or more public relations and/or government relations firms to provide services in certain activities in the United States and other countries. The purpose of this letter is to set forth our mutual understanding as to the basis on which our fees and related expenses will be charged with respect to this matter.

1. Fees. We agree to provide our services for a period of three months effective January 1, 1994, at the rate of \$25,000 per month. Our charges will include the time of attorneys and, where applicable, other professionals and paraprofessionals, and expenses incurred on your behalf except any expenses incurred, with your approval, in connection with international travel, for which we will be separately reimbursed.

2. Consultant. At your request, we will retain, on your behalf, Harriet Mouchley-Weiss of Strategy XXI Group, to assist in providing the advisory services described herein for a flat fee of \$10,000 plus an amount not in excess of \$2,000 for overseas traveling expenses, all of which will be paid to her in addition to the amounts referred to in Item 1, above.

3. Statements for Fees and Expenses. On a regular basis, generally every month, the Firm will send you a statement covering fee charges and expenses incurred to date, providing all such reasonable detail as you may require. All such statements are due and

ARNOLD & PORTER

Mr. Daryal Batibay

February 10, 1994

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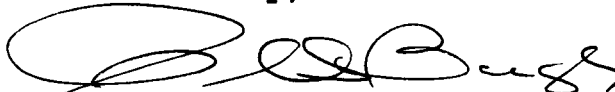
payable, net of any taxes, within 30 days following your receipt of them.

* * *

If you have any questions about the terms of the engagement, as described above, I hope you will feel free to raise them with me as soon as possible and you will feel equally free to raise promptly with me any questions you have about our statements. If the terms of the engagement are acceptable to you, I would appreciate it if you would sign and return to me the enclosed copy of this letter, evidencing the Republic's agreement to these terms.

Once again, let me say how pleased we are that you have engaged Arnold & Porter in this matter.

Sincerely,



Paul S. Berger

ACCEPTED AND AGREED TO:

REPUBLIC OF TURKEY

By: 

Title: Senior Advisor to
the Prime Minister

Date: As of February 17, 1994